

Message Text

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SUBJ: ECONOMIC POLICY TOWARD AFRICA

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1. THE PROBLEMS OF DEVELOPMENT IN BENIN HAVE LITTLE TO SET THEM APART FROM THOSE OF AFRICA AS A WHOLE. AS ONE OF THE POOREST COUNTRIES ON THE POOR CONTINENT IT SUFFERS FROM ALL THE PROBLEMS MENTIONED IN THE REFTEL IN VARYING DEGREES, WITH PARTICULAR EMPHASIS ON THOSE OF SMALL MARKET SIZE, WOEFULLY INADEQUATE TRANSPORTATION SECTOR, AND A SKILLED MANPOWER SHORTAGE EXACERBATED BY THE FLIGHT ABROAD OF YOUTH SEEKING GREATER OPPORTUNITY. THIS POST CONCURS WITH THE CONCLUSIONS CONCERNING THESE QUESTIONS OUTLINED IN THE REFTEL.

2. THE OBVIOUS AND SEVERE ECONOMIC PROBLEMS OF THE COUNTRY DO NOT HOWEVER TELL THE WHOLE STORY OF THE FAILURE OF DEVELOPMENT EFFORTS HERE SINCE INDEPENDENCE. IN PARTICULAR, THEY DO NOT EXPLAIN WHY, DESPITE LARGE DOSES OF FOREIGN ASSISTANCE, THERE HAS BEEN A NET DECLINE DURING THE PAST DECADE IN REAL PER CAPITA GNP, A DECLINE WHICH ATTESTS TO THE NATION'S INABILITY TO MANAGE ITS OWN RESOURCES EFFECTIVELY. IN PRE-
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REVOLUTIONARY BENIN THE PROBLEM WAS ONE OF PANDEMIC REGIONALISM WHICH PREVENTED EFFECTIVE COORDINATION AND PLANNING. SINCE 1972 THE SITUATION HAS REVERSED ITSELF: THE NEW REGIME, WITH ITS EMPHASIS ON CENTRALIZATION, HAS CONCENTRATED THE DECISION MAKING POWERS AT THE TOP, LEAVING THE MIDDLE ECHELONS VOID OF BOTH AUTHORITY AND RESPONSIBILITY. TO COMPOUND MATTERS, THE PRESENT LEADERSHIP HAS TURNED IT NEWLY-ACQUIRED POWER TO ECONOMIC EXPER-

IMENTATION THAT HAS BEEN FREQUENTLY EXOTIC AND ALMOST ALWAYS DISASTROUS. THUS, THE SINGLE MOST IMPORTANT FACTOR IN THE DEVELOPMENT PROCESS HAS BEEN AN INABILITY TO ESTABLISH A POLITICAL POWER STRUCTURE THAT CAN MAKE EFFECTIVE ECONOMIC DECISIONS.

3. THE IMPLICATIONS OF THIS PROBLEM FOR OUR ECONOMIC POLICY, AT LEAST IN BENIN, ARE MAGNIFIED BY THE INCREASING DEMAND BY ALL AFRICAN NATIONS FOR AN INCREASING VOICE IN CONTROL OVER DEVELOPMENT DECISIONS. ON THE ONE HAND, AFRICANS CAN POINT WITH GREAT ACCURACY TO THE MISTAKES MADE BY DONORS IGNORANT OF AFRICAN REALITIES, ON THE OTHER, THE DONORS MUST ASK THEMSELVES IF THE RECIPIENTS ARE CAPABLE OF EFFECTIVELY CARRYING THROUGH ON THESE PROJECTS UNASSISTED.

4. IN THE CASE OF THE PEOPLE'S REPUBLIC OF BENIN, THE ANSWER LIES ON THE NEGATIVE SIDE. THERE IS LITTLE THAT A FOREIGN NATION, PARTICULARLY ONE WHOSE RELATIONS WITH BENIN RANGE FROM COOL TO HOSTILE, CAN DO TO SWAY THE IDEOLOGICALLY BASED ECONOMIC PROGRAM OF SUCH A REGIME. ONE CAN ONLY AWAIT A NEW OUTLOOK OR A NEW REGIME. IN THE MEANTIME, BILATERAL AID SHOULD NOT BE PROFFERED TOO EAGERLY. IS THERE A JUSTIFICATION, FOR EXAMPLE, FOR POURING \$60 MILLION INTO A NEW PORT EXPANSION WHEN THE PRODUCTIVITY OF THE PRESENT COMPLEX IS KEPT DISMALLY LOW BY PURELY OPERATIONAL INEFFICIENCY? ONE WOULD DOUBT IT, ESPECIALLY CONSIDERING THE SCARCITY OF AID DOLLARS AND THE CLAMOR AT HOME FOR REDUCED GOVERNMENT SPENDING.
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5. ONE POSSIBLE ALTERNATIVE MIGHT BE TO CHANNEL MORE ASSISTANCE THROUGH REGIONAL ORGANIZATIONS SUCH AS ECOWAS. REGIONALISM HAS HAD ITS SHARE OF HARD TIMES IN AFRICA, AND IS CERTAINLY NOT THE CONTINENTAL PANACEA. NEVERTHELESS, IN ADDITION TO THE OFTEN-CITED MARKET ADVANTAGES OF REGIONAL ORGANIZATIONS, IT ALSO OFFERS THE POSSIBILITY OF TEMPERING THE ECONOMIC ECCENTRICITIES OF A KEREKOU BY MOTIVATING HIM TO COOPERATE WITH MORE MODERATE AND POWERFUL NEIGHBORS. PARKILL

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